

# LEWIS COUNTY - 2018 PRELIMINARY BUDGET SUMMARY

## INTRODUCTION

This document provides an overview of the 2018 Preliminary Budget as submitted by the various county Departments and Elected Offices. The preliminary figures do not include any request to exceed respective expenditure limitations provided to the General Fund departments. All approved changes will be added to the budget prior to adoption on December 4, 2017.

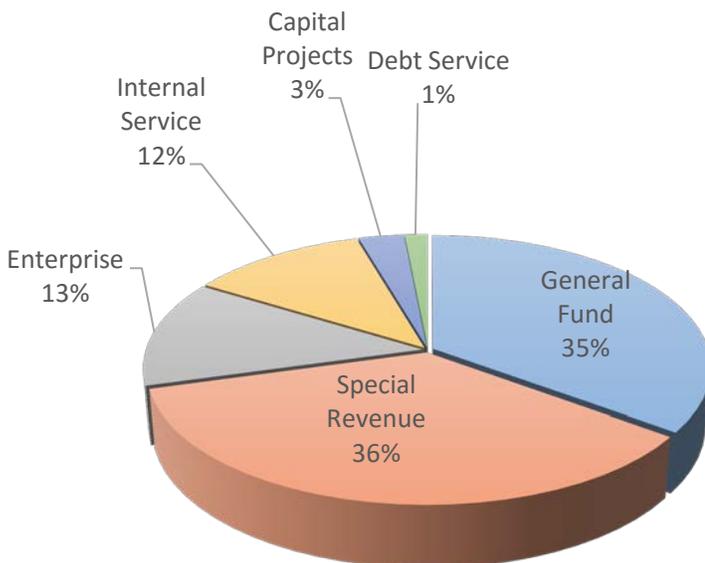
All budget meetings are open public meetings. Work sessions with the Departments and Offices are held in the Board of County Commissioners (BOCC) meeting room located in the BOCC Office. All Budget Hearings will be held at the Historic Courthouse in the Hearing Room located on the 2nd floor with the exception of the evening presentation on November 20th, which will be held in the WSU Training Room located in the basement of the Courthouse.

FUND TYPE	REVENUE	EXPENDITURE	CHANGE IN RESERVES
GENERAL FUND ( Current Expense)	<u>36,016,682</u>	<u>37,306,696</u>	(1,290,014)
SPECIAL REVENUE	<u>35,535,236</u>	<u>37,873,935</u>	(2,338,699)
DEBT SERVICE	<u>1,622,337</u>	<u>1,623,387</u>	(1,050)
CAPITAL	<u>3,350,236</u>	<u>3,213,172</u>	137,064
ENTERPRISE	<u>13,390,624</u>	<u>13,887,449</u>	(496,825)
INTERNAL SERVICE	<u>11,916,979</u>	<u>12,483,076</u>	(566,097)
<b>TOTAL ALL FUNDS</b>	101,832,094	106,387,715	(4,555,621)

**GENERAL FUND** - The general fund is used to account for the financial activities of the general government not required to be accounted for in another account.

**SPECIAL REVENUE FUNDS** - Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes.

**ENTERPRISE FUNDS** - Used to account for any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as enterprise funds, in the context of the activity's principal revenue sources, if any one of the following criteria is met: a) the activity is financed with debt that is secured solely by pledge of the net revenues from fees and charges of the activity; 2) laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.



**INTERNAL SERVICE FUNDS** - Internal service funds are used to report activities that provide goods or services to other funds, departments or agencies of the county/state on a cost reimbursement basis. Internal service funds are used where the county/state is the predominant participant in the activity.

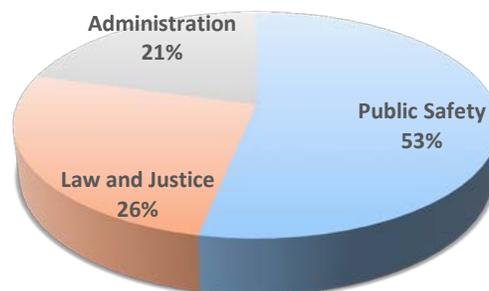
**DEBT SERVICE FUNDS** - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term obligation principal and interest.

**CAPITAL PROJECTS FUNDS** - Capital projects funds are used to account for the acquisition and/or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

# PRELIMINARY 2018 BUDGET - GENERAL FUND BY OFFICE/DEPT.

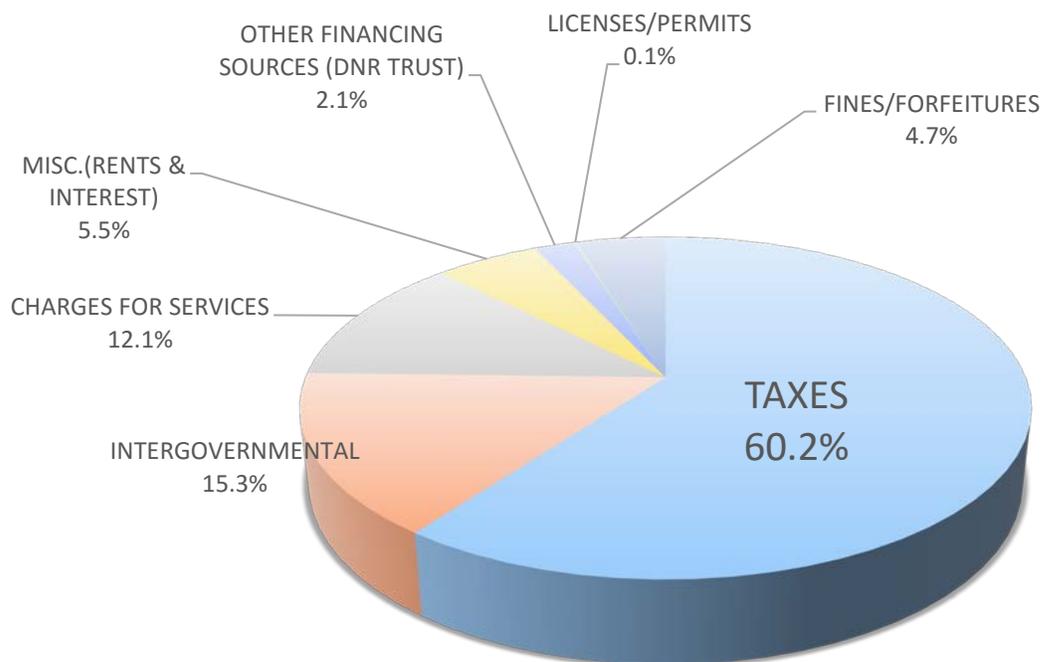
DEPT. #	FUND/DEPT. NAME		REVENUES	EXPENDITURES	
	<b>Est. Beginning Fund Balance</b>	<b>8,070,811</b>			
001-000	NON-DEPARTMENTAL		0	0	
001-101	BOCC/BUDGET		615,250	894,297	
001-102	AUDITOR		604,160	1,310,100	
001-103	AUDITOR ELECTIONS		78,000	299,700	
001-104	ASSESSOR		20,000	1,728,586	
001-105	BOARD OF EQUALIZATION		0	11,636	
001-106	TREASURER		27,562,325	850,178	
001-107	CLERK		639,896	1,233,739	
001-108	SUPERIOR COURT		21,340	1,382,909	
001-109	DISTRICT COURT		1,549,400	1,898,900	
001-110	PROSECUTOR		661,518	3,183,006	
001-112	SELF-INSURANCE ADMIN		111,262	230,537	
001-114	INDIGENT DEFENSE		242,000	1,525,775	
001-115	CIVIL SERVICES		300	20,200	
001-116	DISABILITY BOARD		0	1,600	
001-117	STATE EXAMINER		0	45,000	
001-118	WACO/WASC		0	25,400	
001-120	HUMAN RESOURCES		117,036	265,303	
001-121	FISCAL SERVICES		586,152	720,946	
001-122	BOUNDARY REVIEW BOARD		0	4,347	
001-123	CENTRAL SERVICES ADMIN.		0	7,946	
001-201	SHERIFF		430,195	7,654,500	
001-202	JAIL		1,906,573	7,458,500	
001-203	JUVENILE		604,399	3,185,900	
001-302	WEED CONTROL		71,756	219,922	
001-303	AIR POLLUTION		0	19,600	
001-304	ANIMAL SHELTER		136,000	378,200	
001-601	CORONER		34,000	439,300	
001-701	WSU EXTENSION OFFICE		25,120	256,000	
001-901	TRANSFERS		0	2,054,669	
	<b>Est. Ending Fund Reserves</b>				<b>6,780,797</b>
	<b>TOTAL GENERAL FUND</b>		<b>36,016,682</b>	<b>37,306,696</b>	

General Fund by Function  
(without Transfers)



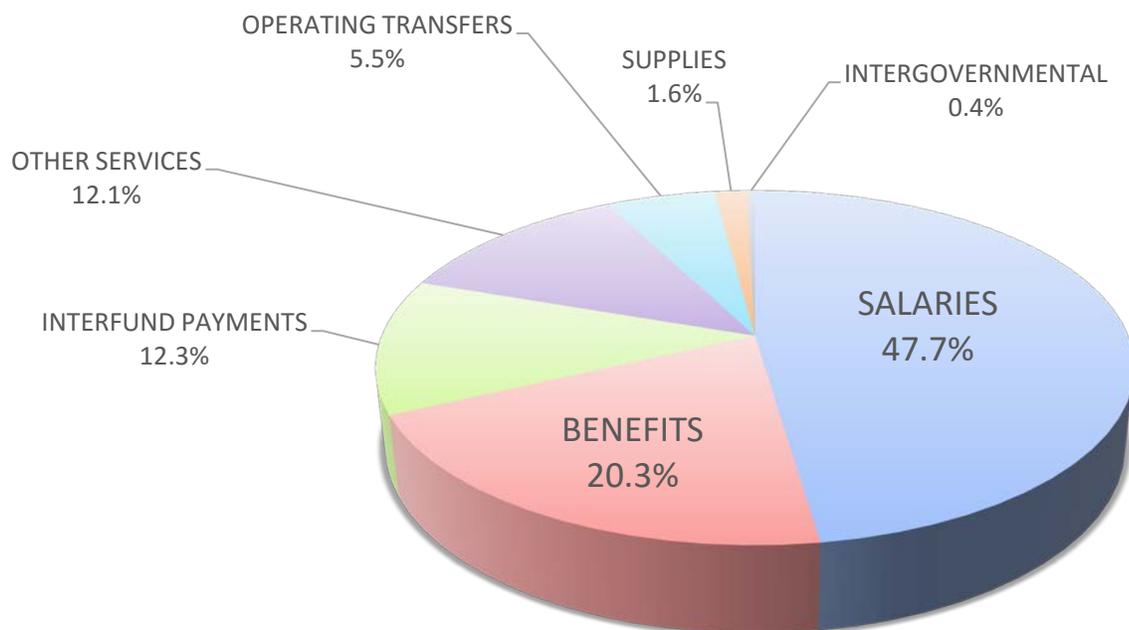
# PRELIMINARY 2018 BUDGET- GENERAL FUND REVENUE

REVENUE	2017 ADJ. BUDGET	2018 PRELIM BUDGET	CHANGE 2017 VS. 2018
TAXES	20,511,965	21,665,985	1,154,020
INTERGOVERNMENTAL	5,370,598	5,499,556	128,958
CHARGES FOR SERVICE	4,533,161	4,372,166	-160,995
MISC.(RENTS & INTEREST)	2,016,537	1,977,375	-39,162
OTHER FINANCING SOURCES (DNR TRUST)	767,640	764,000	-3,640
LICENSES & PERMITS	34,400	34,500	100
FINES & FORFEITURES	1,817,617	1,703,100	-114,517
<b>TOTAL</b>	<b>35,051,918</b>	<b>36,016,682</b>	<b>964,764</b>



# PRELIMINARY 2018 BUDGET- GENERAL FUND EXPENDITURES

EXPENDITURE TYPE GENERAL FUND	2017 ADJ. BUDGET	2018 PRELIM. BUDGET	CHANGE 2017 vs. 2018	PERCENTAGE OF BUDGET
SALARIES	17,466,560	17,768,277	301,717	47.7%
BENEFITS	7,142,170	7,553,714	411,544	20.3%
INTERFUND PAYMENTS	4,514,367	4,590,640	76,273	12.3%
OTHER SERVICES	4,505,206	4,526,917	21,711	12.1%
OPERATING TRANSFERS	2,629,656	2,054,669	(574,987)	5.5%
SUPPLIES	728,707	611,603	(117,104)	1.6%
INTERGOVERNMENTAL	143,250	148,832	5,582	0.4%
DEBT SERVICE	-	52,044	52,044	0.1%
<b>TOTAL</b>	<b>37,129,916</b>	<b>37,306,696</b>	<b>176,780</b>	<b>100.00%</b>



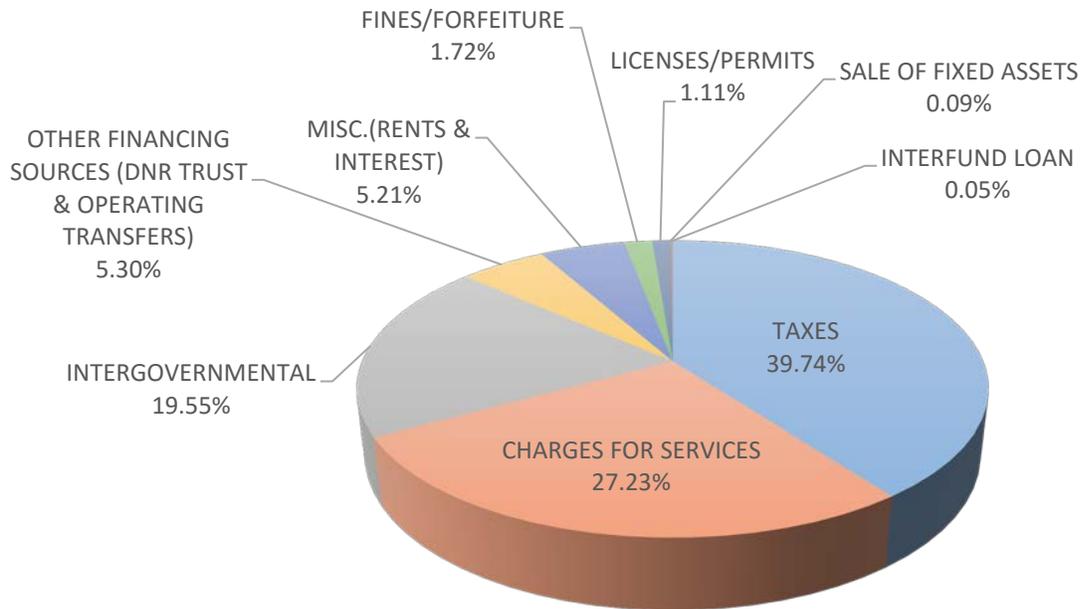
# PRELIMINARY 2018 BUDGET- OTHER FUNDS EXPENDITURES

FUND #	FUND NAME	REVENUES	EXPENDITURES
101	EMERGENCY MANAGEMENT	247,396	258,914
103	VETERANS RELIEF	166,852	180,632
104	SOCIAL SERVICES	2,499,635	2,663,578
105	LAW LIBRARY	43,810	42,101
106	FAIR	1,009,700	1,069,928
107	COMMUNICATIONS	2,498,803	2,583,745
108	TREASURER O&M	135,600	123,650
109	DRUG CONTROL	25,000	25,000
110	MENTAL HEALTH TAX (CD-MH-TC)	1,220,300	1,088,735
113	SELF INSURANCE RESERVE	4,412	0
117	ROADS	20,936,755	22,800,111
121	COMMUNITY DEVELOPMENT	1,862,055	1,861,510
122	FLOOD AUTHORITY	210,929	210,929
125	CHEHALIS RIVER BASIN FLOOD CONTROL ZONE DISTRICT	57,000	57,500
126	COWLITZ RIVER BASIN SUBZONE	0	15,000
128	PATHS AND TRAILS	14,072	120,000
130	DISTRESSED COUNTIES	1,230,000	1,225,000
132	E-REET	19,000	28,180
137	CRIME VICTIM WITNESS	60,000	30,000
138	DISPUTE RESOLUTION	42,200	38,500
140	CDBG GRANT	0	0
150	GRANT AWARD	31,800	48,406
158	ELECTION RESERVE	5,330	1,000
159	AUDITORS O&M	108,106	86,392
160	CRIMINAL DRUG INVESTIGATION TRUST	47,000	100,000
190	PUBLIC HEALTH	2,576,481	2,786,677
198	TOURISM PROMOTION	383,000	328,447
199	SENIOR SERVICES	100,000	100,000
	<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>35,535,236</b>	<b>37,873,935</b>
209	09 BOND REDEMPTION	442,713	443,213
210	BOND -CC AIRPORT	0	0
212	2012 DEBT SERVICE	716,150	716,650
215	2015 DEBT SERVICE	463,474	463,524
	<b>TOTAL DEBT SERVICE FUNDS</b>	<b>1,622,337</b>	<b>1,623,387</b>
301	CAPITAL MAINTENANCE & REPAIR	185,400	726,470
310	CAPITAL FACILITIES PLAN	3,164,836	2,486,702
	<b>TOTAL CAPITAL FUNDS</b>	<b>3,350,236</b>	<b>3,213,172</b>
401	SOLID WASTE	2,435,039	2,752,439
405	PACKWOOD AIRPORT	173,666	173,317
407	SOUTH COUNTY AIRPORT	3,269,241	3,261,300
410	WATER/SEWER	0	70,319

FUND #	FUND NAME	REVENUES	EXPENDITURES
415	SOLID WASTE DISP. DIST. #1	6,368,300	6,488,315
420	VADER WATER SYSTEM UTILITY	1,144,378	1,141,759
	<b>TOTAL ENTERPRISE FUNDS</b>	<b>13,390,624</b>	<b>13,887,449</b>
501	ER&R	3,913,319	3,977,464
505-178	RISK MGMT. - GENERAL LIABILITY	930,985	1,165,975
505-179	RISK MGMT. - ADA	0	0
505-181	RISK MGMT. - UNEMPLOYMENT	104,528	135,000
505-182	RISK MGMT. - LEOFF 1 PRB	65,000	200,000
505-184	RISK MGMT. - PDR	1,000	184,023
506	PITS & QUARRIES	800,000	800,000
507	FACILITIES	3,137,378	3,030,394
510	COUNTY INSURANCE	636,234	699,100
520	RADIO	329,586	329,563
540	INFORMATION TECHNOLOGY	1,998,949	1,961,557
	<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>11,916,979</b>	<b>12,483,076</b>
	<b>TOTAL ALL FUNDS 2018 PRELIM BUDGET</b>	<b>101,832,094</b>	<b>106,387,715</b>

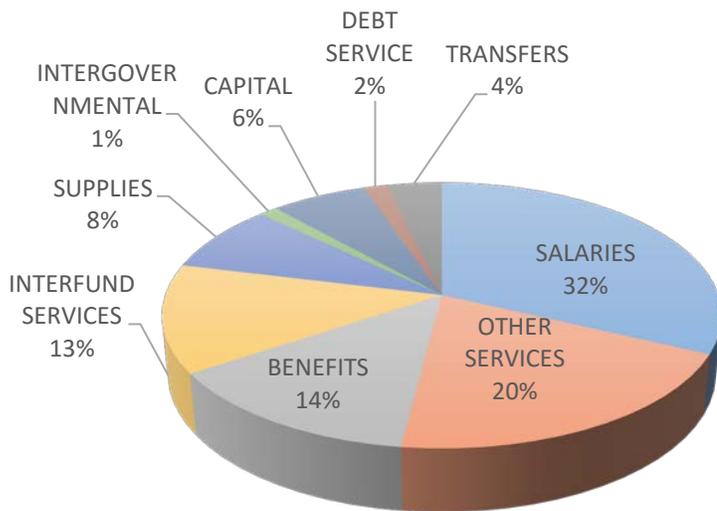
# PRELIMINARY 2018 BUDGET- ALL FUNDS REVENUE

REVENUE TYPE ALL FUNDS	GENERAL FUND	OTHER FUNDS	TOTAL
TAXES	21,665,985	18,801,974	40,467,959
CHARGES FOR SERVICES	4,372,166	23,359,637	27,731,803
INTERGOVERNMENTAL	5,499,556	14,408,428	19,907,984
OTHER FINANCING SOURCES (DNR TIMBER TRUST & OPERATING TRANSFERS)	764,000	4,628,089	5,392,089
MISCELLANEOUS (RENTS & INTEREST)	1,977,375	3,330,728	5,308,103
FINES/FORFEITURE	1,703,100	46,000	1,749,100
LICENSES/PERMITS	34,500	1,100,920	1,135,420
SALE OF FIXED ASSETS	0	90,000	90,000
INTERFUND LOAN	0	49,636	49,636
<b>TOTAL</b>	<b>36,016,682</b>	<b>65,815,412</b>	<b>101,832,094</b>



# PRELIMINARY 2018 BUDGET- ALL FUNDS EXPENDITURES

EXPENDITURE TYPE ALL FUNDS	2017 ADJ. BUDGET	2018 PRELIM. BUDGET	CHANGE 2017 VS. 2018	PERCENTAGE OF BUDGET
SALARIES	33,836,064	34,076,239	240,175	32%
BENEFITS	13,889,079	14,510,752	621,673	14%
SUPPLIES	7,077,685	8,813,393	1,735,708	8%
OTHER SERVICES	28,282,588	21,235,553	-7,047,035	20%
INTERGOVERNMENTAL	1,330,205	1,320,244	-9,961	1%
CAPITAL	7,715,275	6,805,232	-910,043	6%
DEBT SERVICE	3,247,142	1,725,537	-1,521,605	2%
INTERFUND SERVICES	13,817,131	14,021,621	204,490	13%
OPERATING TRANSFERS	4,329,904	3,879,144	-450,760	4%
<b>TOTAL</b>	<b>113,525,073</b>	<b>106,387,715</b>	<b>-7,137,358</b>	<b>100%</b>



Increase in **salaries and benefits** is related to employee annual step increases, negotiated union agreements, increases in employer paid health insurance and retirement rate increases for State Department of Retirement Systems including PERS and PSERS.

The majority of the changes in the **supplies** and **other services** budget over 2017 is related to Road projects. For the detail on these projects, the Transportation Improvement Program is available on the Public Works webpage.

The decrease in **capital projects** is related to the completion of phase I of the finance system project. The next two phases are estimated to be concluded by the end of 2018

The **debt service** payments are reduced by \$1.5 million, the Centralia & Chehalis Airport

Bond balloon payment will be paid in June of this year.

As a result of transferring the Senior Programs to the Lewis County Seniors beginning in January of 2018, **Operation transfers** are reduced.

# LEWIS COUNTY BUDGET Q&A

1- Q How much is the 2018 Expenditure Budget?

A The total 2018 Preliminary Budget is \$106,387,715. The total budget is divided between two different categories: 1) the General Fund (Current Expense) and, 2) Other Funds. The **General Fund** portion of the budget, which is the county's primary fund that accounts for current government operations, totals \$37,306,696. The **Other Funds** portion of the budget totals \$69,081,019. Other Funds include dollars that are restricted in the manner and/or purpose in which they can be spent by either RCW or grant guidelines, etc.

2- Q Where does the county get money to provide public services?

A The County gets revenue from a variety of sources.

Property taxes, sales taxes, real estate excise taxes, fuel taxes, and timber taxes are the main sources of revenue. State and federal revenues are mainly grants from the state and federal government.

Other revenue sources include permit fees, court fines, payments for licenses, and other goods and services.

3- Q What is the Current Expense Fund?

A The Current Expense Fund, also referred to as the General Fund, is the county's primary fund that accounts for current government operations. This fund is used to account for all resources not required to be accounted for in another fund. Current Expense is comprised of 28 separate budgets and supports departments and offices such as the Board of County Commissioners (BOCC), Auditor, Treasurer, Sheriff, Jail, Prosecutor, District and Superior Courts, general administration of the county, and many other activities for which another type of fund is not required.

4- Q What are Other Funds?

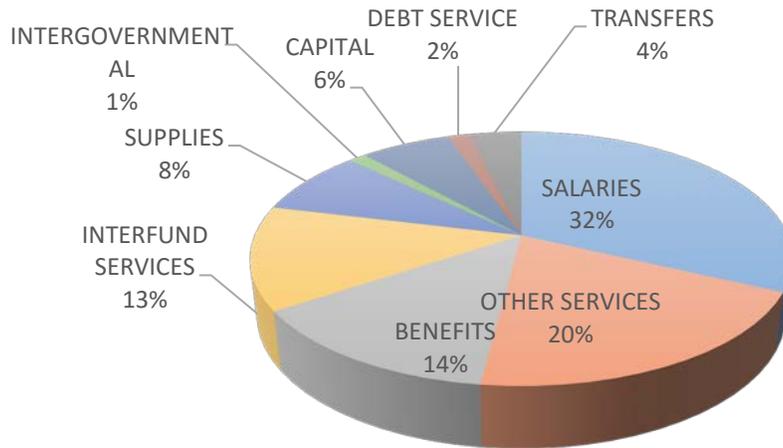
A Other Funds include dollars that are restricted in the manner and/or purpose in which they can be spent either by RCW or grant guidelines, etc. Herein lies the key distinction between these funds and departments in the Current Expense/General Fund. The Other Funds category, include special revenue, debt service, capital projects, enterprise, and internal service funds.

5- Q Where does the majority of the county budget go?

A Salaries and benefits: \$48,586,991 or 46%

Professional services (other services): \$21,235,553

County operating supplies and road maintenance costs including rock and fuel cost: \$8,813,393



6- Q How many staff are employed by the county?

A There are 547.28 budgeted positions or FTE's for 2018, not including casual workers.

7- Q How is the budget developed?

A State law establishes the general requirements of Lewis County's budget process. By law, many revenues must be spent in specific ways. This limits how the County can spend or cut costs to balance the budget. The Budget Department facilitates development of the budget. All department heads and elected officials develop and submit their budget requests by early August. After their requests are reviewed, the Budget Department submits a Preliminary Budget to the Board of Lewis County Commissioners (BOCC) in early September. From there, the BOCC meets with each department director and elected official to discuss their respective preliminary budgets. Two public hearings and one evening presentation are held prior to adoption of the Final Budget. Department and elected official preliminary budget requests are published on the county website and made available to any citizen upon request. The Auditor's Office maintains legal responsibility and authority for overseeing and controlling the expenditure of money once it has been budgeted by the BOCC.

8- Q What opportunity do citizens have to influence the county budget?

A Public meetings are held throughout September and October, Hearings are held mid-November, and the first Monday in December as well as an opportunity to comment on the budget during an evening presentation in mid-November. The Board of County Commissioners meet at 10:00 A.M. every Monday morning except for holidays in the Historic Courthouse located at 351 N.W. North St. in Chehalis. Information is also available in the Budget Department located in the Historic Courthouse in Chehalis.

9- Q How is the county organized?

A The voters of Lewis County elect 15 officials, including three County Commissioners, three Superior Court Judges, two District Court Judges, an Assessor, a Treasurer, an Auditor, a Prosecuting Attorney, a Sheriff, a Coroner and a County Clerk.

The Board of County Commissioners (BOCC) hires directors and administrators to oversee the other non-elected departments: Information Technology, Community Development, and Central Services, which includes Budget, Fiscal Services, Facilities and the Southwest Washington Fair. Emergency Services includes, E-911 Communication, Radio Services and Emergency Management. Other departments under the BOCC include Public Health and Environmental Services, Human Resources, Risk Management, Public Works, WSU Extension and Weed Control Services.

10- Q Is the County's budget balanced?

A The County Budget is balanced using funds held in reserve as needed. The reserve fund is comprised of revenues received in previous years. In order to maintain a fiscally sound budget and appropriate fund balance, the preliminary budget is balanced using cash reserves (working capital), leaving an estimated ending fund balance in the General Fund of 18% (\$6.7 million). The actual ending fund balance may be different if revenues or expenditures differ from current projections.

# TERMS AND DEFINITIONS

**DEBT SERVICE FUNDS** - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term obligation principal and interest.

**CAPITAL PROJECTS FUNDS** - Capital projects funds are used to account for the acquisition and/or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**CHARGES FOR SERVICES** - Charges to other agencies or other county departments for services; examples are Jail contracts to house inmates, HR and Fiscal Services.

**ENTERPRISE FUNDS** - Used to account for any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as enterprise funds, in the context of the activity's principal revenue sources, if any one of the following criteria is met: a) the activity is financed with debt that is secured solely by pledge of the net revenues from fees and charges of the activity; 2) laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.

**FINES AND FORFEITURES** – Fines and fees collected by the County, traffic fines, and other court imposed fines and treasurer fees, etc.

**INTERGOVERNMENTAL REVENUES** - Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

**INTERNAL SERVICE FUNDS** - Internal service funds are used to report activities that provide goods or services to other funds, departments or agencies of the county/state on a cost reimbursement basis. Internal service funds are used where the county/state is the predominant participant in the activity.

**INTERFUND LOANS** - Loans made by one fund to another with a requirement for repayment.

**OPERATING TRANSFERS** - All interfund transfers other than equity transfers, e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

**SPECIAL REVENUE FUNDS** - Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes.

**SUPPLIES** - Assets consumed in the course of the County operations.

LEWIS COUNTY, BUDGET CALENDAR  
FOR AMENDING THE 2017 AND SETTING THE 2018 BUDGETS

<b>DATES</b>	<b>DAY</b>	<b>ACTION</b>
APRIL 10	MONDAY	<b>1ST 2017 BUDGET AMENDMENT HEARING (BOARD HEARING ROOM, 10:00 AM)</b>
MAY 12	FRIDAY	BUDGET DEPARTMENT SENDS OUT INTERNAL SERVICE RATE WORKSHEETS
JUNE 8	THURSDAY	BUDGET KICKOFF -TENTATIVE
JUNE 9	FRIDAY	INTERNAL SERVICE RATES SUBMITTED TO BUDGET DEPT.
JUNE 21	WEDNESDAY	DISCUSS CALL LETTER & BUDGET INSTRUCTIONS AT EXECUTIVE STEERING COMMITTEE MEETING
JULY 10	MONDAY	<b>2ND 2017 BUDGET AMENDMENT HEARING (BOARD HEARING ROOM, 10:00 AM)</b>
JULY 10-14	MONDAY	CALL LETTER AND BUDGET WORKSHEETS DISTRIBUTED TO OFFICES/DEPTS.
JULY - AUG		BUDGET TRAINING CLASSES FOR PREPARERS - AS REQUESTED
AUGUST 14	MONDAY	OFFICES/DEPTS. SUBMIT 2018 PRELIMINARY BUDGETS TO BUDGET DEPT.
AUGUST 14	MONDAY	RECOMMENDED SIX YEAR TRANSPORTATION IMPROVEMENT PLAN (STIP) DUE TO THE BOCC
SEPTEMBER 5	TUESDAY	BUDGET DEPT. SUBMITS PRELIMINARY BUDGETS TO BOCC AND AUDITOR
OCTOBER		2018 PRELIMINARY BUDGET MADE AVAILABLE TO THE PUBLIC
SEPTEMBER 25	MONDAY	<b>3RD 2017 BUDGET AMENDMENT HEARING ( BOARD HEARING ROOM, 10:00 AM)</b>
SEP-OCT		BUDGET MEETINGS BETWEEN OFFICES/DEPTS. AND BOCC
NOVEMBER 13	MONDAY	ADOPTION OF THE STIP
NOVEMBER 20	MONDAY	PUBLIC INFORMATIONAL MEETING Q&A ON THE 2018 BUDGET (WSU TRAINING ROOM, 5:30 PM)
DECEMBER 4	MONDAY	FIRST HEARING AND ADOPTION OF THE 2018 FINAL BUDGET (BOARD HEARING ROOM, 10:00 AM)
DECEMBER 4	MONDAY	SECOND HEARING ON SETTING TAX LEVIES FOR 2018
DECEMBER 18	MONDAY	<b>2017 YEAR-END BUDGET AMENDMENT HEARING (BOARD HEARING ROOM, 10:00 AM)</b>

In addition to the schedule above, Budget Amendments may be added during the year at the discretion of the BOCC.

## Contact Information:

### 2017/2018 Board of County Commissioners

Edna J. Fund, First District, 360-740-1283

Bobby Jackson, Second District, 360-740-1288

Gary Stamper, Third District, 360-740-1120

### Budget Services Department

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Becky Butler – Budget Services Manager, 360-740-1198 or [becky.butler@lewiscountywa.gov](mailto:becky.butler@lewiscountywa.gov)